



J. TYLER McCAULEY
AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES

DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2766
PHONE: (213) 974-8301 FAX: (213) 626-5427

May 2, 2007

TO: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley *tm*
Auditor-Controller

SUBJECT: **CLONTARF MANOR, INC. CONTRACT COMPLIANCE REVIEW
MENTAL HEALTH SERVICE PROVIDER**

We have completed a contract compliance review of Clontarf Manor (Agency) a Department of Mental Health Services (DMH) provider.

Background

DMH contracts with Clontarf Manor, a for-profit community-based organization that provides services to clients in Service Planning Area 7. Services include interviewing program participants, assessing their mental health needs and implementing a treatment plan.

Our review focused on approved Medi-Cal billings where at least 35% of the total service cost was paid using County General Funds. The Agency's headquarters is located in the Fourth District.

DMH paid Clontarf Manor between \$1.95 and \$4.65 per minute of staff time (\$117.00 to \$279.00 per hour). DMH contracted with Clontarf Manor to provide approximately \$1 million in services for Fiscal Year 2005-06.

Purpose/Methodology

The purpose of the review was to determine whether Clontarf Manor provided the services outlined in their contract with the County. We also evaluated whether the Agency achieved planned service levels. Our monitoring visit included a review of a

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sample of Clontarf Manor's billings, participant charts, and personnel and payroll records. We also interviewed staff from Clontarf Manor and interviewed a sample of participants or their parent/guardian if the participant was a minor.

Results of Review

Overall, Clontarf Manor provided the services outlined in the County contract. The Agency used qualified staff to perform the services billed and maintained documentation to support the billings sampled. The participants interviewed stated that the services they received met their expectations.

Clontarf Manor did not sufficiently document 410 (15%) of the 2,770 minutes sampled. For example, the Agency billed 350 minutes in which the Progress Notes did not describe what the client or service staff attempted and/or accomplished towards the clients' goals. In addition, Clontarf Manor did not fully complete the Client Care Plans for 24 (71%) of the 34 clients sampled in accordance with the County contract.

We have attached the details of our review along with recommendations for corrective action.

Review of Report

We discussed the results of our review with Clontarf Manor on January 16, 2007. In their attached response, the Agency generally agreed with the results of our review.

We thank Clontarf Manor management for their cooperation and assistance during this review. Please call me if you have any questions or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: David E. Janssen, Chief Administrative Officer
Dr. Marvin J. Southard, Director, Department of Mental Health
Peggy Weston, Chief Executive Officer, Clontarf Manor
Public Information Office
Audit Committee

**COUNTYWIDE CONTRACT MONITORING REVIEW
FISCAL YEAR 2005-2006
CLONTARF MANOR**

BILLED SERVICES

Objective

Determine whether Clontarf Manor (Agency) provided the services billed in accordance with their contract with Department of Mental Health (DMH).

Verification

We judgmentally selected 2,770 minutes from 62,830 service minutes of approved Medi-Cal billings to DMH where at least 35% of the total service cost was paid using County General Funds. We reviewed the Progress Notes, Assessments and Client Care Plans maintained in the clients' charts for the selected billings. The 2,770 minutes represent services provided to 34 program participants.

Although we started our review in October 2006, the most current billing information available from DMH's billing system was May and June 2006.

Results

Clontarf Manor did not sufficiently document billings for 410 (15%) of the 2,770 minutes sampled. Specifically:

- The Agency billed 350 minutes for Mental Health Services in which the Progress Notes did not describe what the clients or service staff attempted and/or accomplished towards the clients' goals.
- The Agency billed 60 minutes for Medication Support Services in which the Progress Notes did not contain a description of the client's response to the medication, side effects and compliance with the medication regime.

Clontarf Manor also over billed DMH 30 minutes for a Medication Support Service where the Unit of Time (UOT) billed to DMH exceeds the UOT indicated in the Progress Notes provided by the Agency to support the billing. The amount of the over payment totaled \$140.

Client Care Plans

Clontarf Manor did not sufficiently complete Client Care Plans for 24 (71%) of the 34 clients sampled in accordance with the County contract. The Client Care Plan establishes goals and interventions to address the mental health issues identified in the client's Assessment. Specifically:

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- Twenty-one Client Care Plans did not contain a goal for each type of treatment provided.
- Twelve Client Care Plans did not contain observable and/or quantifiable goals.
- One Client Care Plan did not document a clinical intervention.

The number of deficiencies identified above exceeded the overall number of Client Plans reviewed because some of the Client Care Plans contained more than one deficiency.

Recommendations

Clontarf Manor management:

1. **Maintain sufficient documentation to support its compliance with contract requirements for the services billed to DMH.**
2. **Repay DMH \$140.**
3. **Ensure that Client Care Plans are completed in accordance with the County contract.**

CLIENT VERIFICATION

Objectives

Determine whether the program participants received the services that Clontarf Manor billed DMH.

Verification

We interviewed ten participants that Clontarf Manor billed DMH for services during May and June 2006.

Results

The program participants interviewed stated that they received services from the Agency and that the services met their expectations.

Recommendation

There are no recommendations for this section.

STAFFING LEVEL**Objective**

Determine whether the Agency maintained the appropriate staff to client ratios for applicable services.

We did not perform test work in this section, as the Agency does not provide services that require staffing ratios for this particular funding program.

STAFFING QUALIFICATIONS**Objective**

Determine whether Clontarf Manor treatment staff possessed the required qualifications to provide the services.

Verification

We reviewed the California Board of Behavioral Sciences' website and/or the personnel files for seven (88%) of eight Clontarf Manor treatment staff for documentation to support their qualifications.

Results

Clontarf Manor's employees possessed the qualifications required to deliver the services billed.

Recommendation

There are no recommendations for this section.

SERVICE LEVELS**Objective**

Determine whether Clontarf Manor's reported service levels varied significantly from the service levels identified in the DMH contract.

Verification

We reviewed Clontarf Manor's Fiscal Year (FY) 2005-06 Cost Report and compared the dollar amount and billed units of service to the contracted service units identified in the contract for the same period.

Results

Clontarf Manor operated within its overall contracted amount of \$1 million. However, the Agency substantially deviated from contracted service levels without prior written authorization from DMH. Specifically, the Agency exceeded the contracted amounts for Mental Health Services by 93,000 units (52%) and provided 84,000 units (57%) less than contracted for Targeted Case Management.

Recommendation

4. Clontarf Manor management obtain written authorization from DMH prior to deviating from contracted service levels.

CLONTARF MANOR, INC.
CMA
MENTAL HEALTH SERVICES AND REHABILITATION PROGRAM

18432 1/2 Gridley Road, Artesia, California 90701
Phone: (562) 860 - 2479 Fax: (562) 860 - 7109

clontarfmanor.cma@verizon.net

Date *03.01.2007*

County of Los Angeles
Department of Auditor-Controller
J. Tyler McCauley, Auditor-Controller
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 525
Los Angeles, CA 90012-2766

Subject: Formal Response to Auditor Controller Draft Report

Dear Mr. McCauley,

Clontarf Manor, Inc. has received the results from the Auditor-Controller audit for services rendered for the months of May and June 2006. On behalf of Clontarf Manor, Inc., I would like to express our thanks and appreciation for the efforts put forth by your staff during this audit. They were helpful, courteous, and willing to listen and clarify questions. Clontarf Manor, Inc. is always looking for areas to improve upon as we move our program towards best care practices. As such, we have reviewed your recommendations carefully and have begun the necessary policy review and training to address the issues you have raised. Our response is as follows.

Recommendations: Billed Services

1. **Maintain sufficient documentation to support its compliance with contract requirements for the services billed to DMH.**
 - o Clontarf Manor, Inc. is in the process of changing our progress notes to the GIMP format (Goal of the session, Intervention provided by staff, Response from client, and Plan). This new format emphasizes that each progress note must reflect progress towards the goals identified within the Client Care Plan and incorporates the description of services provided to the clients in support of their goals. Training will also be conducted with our clinical and case management staff to improve the quality of our progress note using this format and reviewing the components of medical necessity.
 - o Clontarf Manor, Inc. is also in the process of changing our medication support notes to add distinct sections that identify the medication(s) the client is currently taking, whether the client is experiencing side effects, and the client's compliance to his/her medication to ensure the progress note reflects medical necessity for the medication support services that have been billed.
 - o Clontarf Manor, Inc. has been very conscientious and meticulous in ensuring that the documentation and charts are of the best caliber. C.M.A. has completed this through empowering the mental health staff with monthly supervision and in-service trainings, as well as providing chart audits by different mental health staff. Clontarf Manor, Inc. has had the Head of Service review charts on a quarterly basis to review charts for clinical content and medical necessity. In addition, Clontarf Manor, Inc. has the mental health staff conduct peer reviews as a training tool as well as a quality control tool.
 - o Clontarf Manor, Inc. will also utilize the assistance of a mental health consultant to conduct chart audits and mental health trainings, as needed on a monthly basis to ensure contract compliance, billing and documentation guidelines, and medical necessity (within forms such as the Initial Assessment, Client Care Plan, Annual Assessment, and Progress Notes).

- o The audit findings of this report will be reviewed with all clinical staff to ensure documentation sufficiently supports the services that are billed

2. Repay DMH \$140.00.

- o Clontarf Manor, Inc. believes that the rendering provider made an error when documenting the time on the progress note and billing log and that it was a deviation that was found; however the Quality Management team has designed a new system in place to serve as a double check. The billing log and progress note are now reviewed by a mental health staff prior to the billing log being entered into the IS system to ensure that any possible errors in documenting the information from one form to the other are caught.
- o The check will come under separate cover.

3. Ensure that Client Care Plans are completed in accordance with County contract.

- o Within the memo on page 2 and within the draft on page 1, it notes "Clontarf Manor did not complete Client Care Plans for 24 (71%) of the 34 clients sampled in accordance with the County contract." I believe this statement gives the impression that the Client Care Plans were missing from the file. The findings reflect that it was not that the plans were not completed, but that they were not completed sufficiently or completely. I would humbly request that the word "sufficiently" or completely be added as a clarifier to clearly focus on the specific audit results.
- o Clontarf Manor, Inc. has a refresher training scheduled to review the Client Care Coordination Plan in terms of documenting each area completely as well as targeting medical necessity criteria (diagnosis, impairment, and intervention) and creating S.M.A.R.T. goals (specific, measurable, action oriented, realistic, and time specific)
- o The Quality Management team will continue to play a role in terms of ensuring that medical necessity has been established, supported, and/or re-established as well as ensuring that the goals/objectives are S.M.A.R.T. and are created for each type of service that is billed
- o Clontarf Manor, Inc. will also utilize the assistance of a mental health consultant to conduct chart audits and mental health trainings, as needed on a monthly basis to ensure contract compliance, billing and documentation guidelines, and medical necessity (within forms such as the Initial Assessment, Client Care Plan, Annual Assessment, and Progress Notes)

Service Levels

1. Management to obtain written authorization from DMH prior to deviating from contracted service levels.

- o A letter was drafted and submitted noting the deviation in the contract service levels
- o Clontarf Manor, Inc. will develop a quarterly system for contract amount deviations